Power project of Kochi Refineries Ltd.

281. SHRI K. CHANDRAN PILLAI: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) the status of the proposed 500 MW Power Project by Kochi Refineries Ltd.;

(b) whether the necessary clearance for the Project has been granted by Government;

(c) if so, the details thereof; and

(d) if not, the reasons therefor?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) Kochi Refineries Limited (KRL) had a proposal for setting up a 500 MW Power Project utilizing asphaltenes (heavy residue obtained while processing crude oil) as fuel, for which a Detailed Feasibility Report (DFR) was also prepared. However, the project could not reach financial closure since Kerala State Electricity Board could not offer firm commitment on escrow cover, guarantee on payment of power purchase etc.

(b) to (d) The following statutory clearances were obtained for the proposed project:—

(i) In principle clearance from Central Electricity Authority (on 22.12.1995).

(ii) Stage-I approval from Government of India for DFR preparation (on 28.2.1997).

(iii) Environmental clearance from Ministry of Environment & Forests (on 18.5.1999).

As the project could not reach financial closure, further clearances were not taken.